

Adur District: Housing and Employment Options for Consultation

Technical Document

1 Introduction

Adur District Council is consulting on options for planning the future development of Adur (excluding the South Downs National Park), up to 2028. The purpose of this consultation is to seek the views of the community and stakeholders on options for the level of housing to be provided, as well as the approach taken to the provision of employment land.

The aim of this paper is to provide more background to these issues, and the information and evidence the Council has already gathered. Sections 1-5 provide background and discuss Government guidance; sections 6-9 look at a range of housing issues, including demographic needs, delivery, and the previous targets set in the South East Plan. The Shoreham Harbour Regeneration Project is discussed in section 10, and the local economy is considered in section 12. Given the nature of the issues, and their implications, it is important that as many local people and organisations get involved as possible.

This document can be read in conjunction with the questionnaire leaflet (although the leaflet can be read as a 'stand alone' document in its own right). Answers to some 'Frequently Asked Questions' are also available on the website.

If you would like to participate in making these important decisions, please fill in the questionnaire (preferably online at www.adur.gov.uk... or a paper copy) and send to the Planning Policy Team by midnight on 7th August 2011. (Further details in section 18)

The results of this consultation will feed into a draft Core Strategy to be made available for consultation in early 2012. A full timetable for the production of the Adur Core Strategy may be found on the Local Development Framework page of the Adur website.

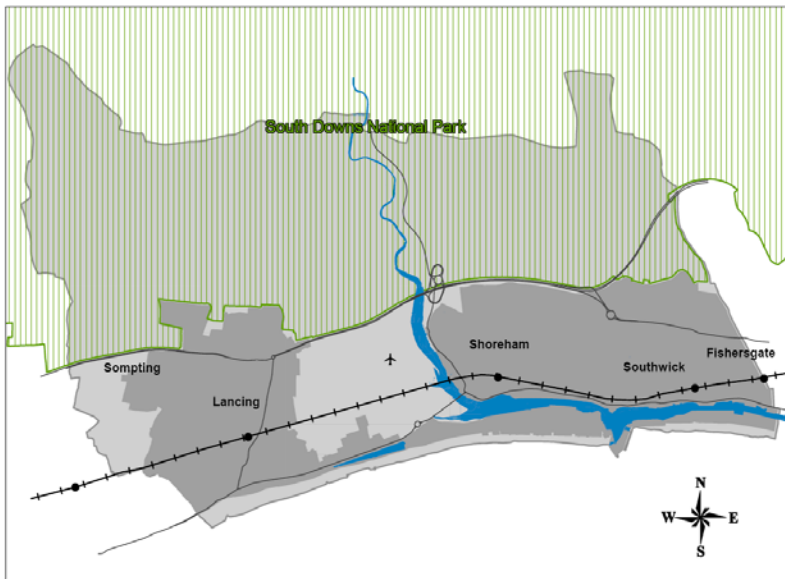
2 Which area does this consultation exercise cover?

In April 2011 the South Downs National Park Authority came into being, following the designation of the National Park on 31st May 2010. It is now the Local Planning Authority for the National Park area which extends across 15 local authorities including Adur. The National Park is developing its own Core Strategy.

This consultation, and Adur District Council's Core Strategy, can therefore only relate to those areas of Adur District which lie outside of the National Park. That is the area referred to when we say 'Adur' in this document. It includes the built up areas of Lancing, Sompting, Shoreham-by-Sea, Southwick and Fishergate. The majority of Adur District's housing, employment, facilities and services lie within this area.

The map below indicates the area covered by this consultation and the forthcoming Adur Core Strategy.

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Map of Adur District, showing area within the South Downs National Park (green), and remaining area within planning remit of Adur District Council. (SDNP not green on map)

3 What is the Adur Core Strategy, and what is it trying to achieve?

Adur District Council is preparing a Core Strategy – a document which will provide a strategy for development in Adur up to 2028. It will guide and enable development, secure regeneration, tackle deprivation and help to improve Adur's infrastructure and natural environment. The Core Strategy will also deliver elements of the Adur and Worthing Sustainable Community Strategy 'waves ahead'. The Core Strategy will form the key component of a Local Development Framework (LDF) – a 'suite' of planning documents which will replace the Adur District Local Plan.

A 'Vision' for how the District might look in 2028 has been developed in conjunction with the Local Strategic Partnership and will be set out in the Draft Core Strategy which will be published for consultation in early 2012. Extracts are included in Appendix 1 of this document, to give some context as to the issue of how much housing and employment land should be made available in the Adur area.

4 Background

Although the emerging Adur Core Strategy will address a range of issues, perhaps the most important is the approach to meeting the requirements for new housing. The South East Plan, adopted in 2009, set a requirement for Adur District to provide 2,100 homes between 2006 – 2026, as well as a requirement to test the development of 10,000 new dwellings for the regeneration of Shoreham Harbour (See section 11 below). Until recently, the Council had been preparing the Adur Core Strategy on this basis, and the document was intended to be read in conjunction with the South East Plan, which contains policies on a wide range of subjects

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However, the Coalition Government has made clear its intention to abolish all Regional Spatial Strategies including the South East Plan in due course through the Decentralisation and Localism Bill which is currently progressing through Parliament. This means that the Core Strategy will have to address some issues previously dealt with in the South East Plan. The most fundamental of these is the housing requirement (although the South East Plan is still a 'material consideration' which must be taken account of in planning policy matters at this present time). With the South East Plan likely to be abolished soon it is appropriate and timely that Adur considers its housing requirement at this stage of Core Strategy preparation. Once the South East Plan is formally abolished, it will be for all districts to determine their own housing targets in conjunction with their local community, and to implement them through their Core Strategies.

5 Government Policy and Proposals. Setting a Housing target – PPS3: Housing

The Coalition Government has made clear that it is committed to housing growth, and has proposed a number of policies to achieve this. These include a 'New Homes Bonus' to encourage the development of housing through financial awards from Government.

The Government has also proposed the introduction of Neighbourhood Plans (through the emerging Localism Bill). One of the potential functions of these plans is for local communities (via Parish Councils or Neighbourhood Forums, if they wish) to propose the development of housing and other facilities in their area, in addition to that proposed through their Council's Core Strategy.

The Government is also considering changes to how affordable housing is funded. It is not yet clear as to what these changes will be, or their implications.

However, although 'Localism' is based on the principle that decisions about local areas are made by those local communities which will be affected by them, Core Strategies still need to be based on sound evidence and comply with national policy and legislation.

The Government has not published any best practice guidance on how local authorities and communities should determine their housing targets. However 'Planning Policy Guidance Note 3: Housing' (PPG3) sets out a range of issues that must be taken into account by Local Planning Authorities in determining a housing target. PPS3 indicates that this should be done through a strategic, evidence-based approach that takes into account relevant policies and strategies achieved through working with stakeholders (Para 32).

Paragraph 33 of PPS3 lists a range of matters which should be taken into account, including:

"Evidence of current and future levels of need and demand for housing and affordability levels based on:

- Local and sub-regional evidence of need and demand, set out in Strategic Housing Market Assessments and other relevant market information such as long term house prices.
- The Government's latest published household projections and the needs of the regional economy, having regard to economic growth forecasts.
- Evidence of the availability of suitable land for housing using Strategic Land Availability Assessments and drawing on other relevant information such as the National Land Use Database and Register of Surplus Public Land.

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- The Government's overall ambitions for affordability across the housing market, including the need to improve affordability and increase housing supply.
- A Sustainability Appraisal of the environmental, social and economic implications including costs, benefits and risks of development. This will include considering the most sustainable pattern of housing, including in urban and rural areas.
- An assessment of the impact of development upon existing or planned infrastructure and of any new infrastructure required."

Local Planning Authorities are required to plan for housing delivery over a period of at least 15 years.

It is clear from PPS3 that an evidence based approach should be taken in developing a housing target. As a result, this document looks at both **supply-side** issues (such as the availability and capacity of land, areas at risk of flooding, etc) and **demand-based** issues (demographics – household formation, the link between housing and the economy etc).

6 Evidence of Housing Need and Demand in Adur

House Prices and Affordability

The affordability of housing in Adur, along with the rest of the South East of England, has worsened over time, reflecting the relationship between supply and demand and the wider economy. Although there has been some decrease in house prices in recent times since their peak in 2007, they remain relatively high, and difficulties for households in obtaining mortgages, plus wider economic circumstances means that affordability remains a significant problem for many households.

The ratio of lower quartile house prices to lower quartile earnings was 8.68 in 2009, above the West Sussex average of 8.57, and significantly above that of the South East as a whole (7.71) and England (6.28) (Locally Generated Housing Needs Study 2011). (More information on housing market indicators may be found in the Locally Generated Housing Needs Study 2011 and Strategic Housing Market Assessment 2009).

Adur Housing Register

There is a high demand for affordable housing in the District which significantly exceeds supply. Adur District Council maintains a Housing Needs Register of households seeking affordable housing. There were 1708 households on the list as at May 2011, 1069 of whom were registered as being in priority need. Evidence from the Strategic Housing Market Assessment (2009) indicates that the net annual *affordable* housing need in the District is between 226 and 258 dwellings up to 2026. (This is not to be confused with the overall dwelling requirement which would be needed to meet *all* housing demands, as assessed by the Locally Generated Housing Needs Study – see section 8).

Interim Policy Guidance for Affordable Housing in Adur was adopted in 2004. This requires 30% affordable/low cost housing to be provided as part of all housing developments above a specific threshold. PPS3: Housing was published in 2006 (and revised in 2010), which sets a national indicative minimum site size threshold for seeking affordable housing at 15 dwellings, but stresses that financial viability must be taken into account. PPS3 allows local authorities to set lower thresholds, where viable. It is intended that further work on affordable housing issues, including the impact of changes to the funding regime, will be undertaken prior to submission of

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the Core Strategy.

7 Housing Capacity

An important point to note is that, historically, there has not been a strong relationship between housing targets set for the district, and the need and demand in Adur. They have been strongly influenced by clear evidence of the capacity of the District to accommodate new dwellings in terms of its physical and environmental characteristics – the sea to the south, the South Downs (now a National Park) to the north, flooding and key infrastructure constraints (including transport). When setting the housing target for Adur these constraints have been recognised by Planning Inspectors at both the West Sussex Structure Plan and more recently at the South East Plan Public Examinations.

Previously, housing targets have been set through the West Sussex Structure Plan 2004 and most recently the South East Plan. The new Coalition Government has made it clear that it will be for each local authority, through its Core Strategy, to set an appropriate level of housing provision for their area and to be able to justify these numbers during the examination process. Clearly, any housing target proposed must be based on reliable evidence.

To complement the work undertaken on need and demand (Section 7 below) it is also necessary to consider the physical capacity of the District to accommodate new development – by this we mean the actual amount of land take needed.

In assessing the capacity of the District the Council has looked at evidence from a number of sources including the National Land Use Database; the Register of Surplus Public Land; the Strategic Housing Land Availability Assessment; the Adur Urban Fringe Study; the Adur Strategic Flood Risk Assessment and the Open Space and Sport and Recreation Assessment.

Certain assumptions were made which excluded some land from development: land falling within the National Park (which is now no longer within the planning remit of Adur District Council), land and buildings in active alternative use, land no longer surplus to educational requirements and formal playing facilities.

Strategic Housing Land Availability Assessment

A Strategic Housing Land Availability Assessment (SHLAA) was undertaken and published in 2009, which provided an informed estimate of brownfield land available for housing development for the 15 year period to 2023. A street by street survey of the District was undertaken to identify sites which may have potential for redevelopment. These sites were then assessed against a number of criteria set out in the SHLAA Practice Guidance and those considered to have development potential (i.e. they were suitable, available and achievable) were identified. The study indicated that, at 1 April 2008, 870 additional homes could potentially be delivered on brownfield sites within the built up area of the district. *It should be made clear that the SHLAA is an important evidence source to inform plan making but does not in itself determine whether a site should be allocated for housing development or that any planning application for development should be approved by the Council.*

For the purpose of this capacity work, it is important to have a realistic view of how much brownfield land is likely to be available for housing delivery in the lifetime of the Core Strategy

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(i.e. up to 2028). The SHLAA has therefore been updated to take account of sites that have been developed and changes in circumstances on other sites. Monitoring indicates that at 1 April 2010, 75 additional homes have been delivered on sites identified in the SHLAA. A further 164 dwellings are considered unlikely to come forward for development due to changing circumstances, whilst another 277 would, if they come forward, be counted as part of the Shoreham Harbour Regeneration Area (not as part of the wider Adur area).

The updated figures for the SHLAA indicate that 354 homes could potentially come forward on brownfield sites. In addition, there were a number of sites identified in the SHLAA that were considered to be not currently developable for various reasons, and were rejected. These sites have been reassessed to consider any changes in circumstances for the purposes of this capacity exercise.

Windfall

The term windfall refers to any residential development that is granted planning consent on land or buildings not specifically allocated for development in a Local Development Framework document or identified as having potential for residential development in a Strategic Housing Land Availability Assessment. Windfall sites are normally small sites that could not be expected to be identified in advance of a planning application such as the conversion of a building or an infill development on a small plot of land. Occasionally larger brownfield sites do come forward as windfalls if, for example, a business unexpectedly closes down.

The SHLAA did not make an allowance for large windfall sites of 6 units or more as all such sites should have already been identified in the study (although changes in circumstances means there will always be cases where redevelopment comes forward that could not have been predicted). However, an allowance for small windfall sites (less than 6 dwellings) was included on the basis that it is difficult to identify such opportunities for development in advance.

It is intended that a formal review of the SHLAA will be undertaken prior to submission of the Core Strategy in October 2012 to provide an up to date evidence base. This will also take account of the recent amendment to PPS3 which now excludes private residential gardens from the definition of previously developed land.

Until this review takes place, the Locally Generated Housing Needs Study has made an assumption for an allowance of 76 dwellings per year to come forward as windfall sites for the latter part of the Plan period from 2023 to 2028. This assumption is based on the SHLAA's assessment of sites with development potential within existing settlements (2008 to 2023).

Sites Outside of the Urban Area

PPS3 requires local planning authorities to consider options for accommodating new housing growth and these options could include expansion of existing settlements through urban extensions. This is supported in the SHLAA Practice Guidance and the SHLAA "call for sites" consultation identified a number of such sites put forward by landowners/developers for consideration. These sites were assessed for their future housing potential, drawing on evidence in the Urban Fringe Study. This study considered land on the urban fringe of the District in terms of its contribution to the general openness of the gaps between settlements, and assessed which areas make a positive contribution to the character and appearance of the settlement. It identified a number of potential sites for development outside the built up area on

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which it is estimated around 1475 new homes could be delivered. This evidence will be considered through the plan making process in order to identify appropriate locations for development. Again a number of greenfield sites were rejected; these have been reassessed for the purposes of this capacity exercise.

Flood risk

One of the key constraints in the district is flood risk which therefore needs to be taken account of in considering the capacity of the District for accommodating development. There are five types of flooding which affect the District:

- Flooding from the sea (tidal flooding)
- Flooding from rivers (fluvial flooding)
- Surface water flooding i.e. run-off from Downs
- Groundwater flooding which can be an issue in chalky areas
- Flooding from sewers caused by rainfall exceeding the capacity of sewer network

The main flood risk to the district is that of tidal flooding (the River Adur is also tidally influenced) and the Environment Agency has recently commissioned work to further assess this risk. There are several areas in the District within Flood Zone 3 – areas where there is a “high probability” of flooding. These areas include Shoreham Airport, parts of Shoreham Harbour and parts of the open area between Shoreham and Lancing, both north and south of the railway, and parts of Shoreham town centre.

The Adur Strategic Flood Risk Assessment (SFRA) is in the process of being updated and this update will make a distinction between areas with a high probability of flooding (flood zone 3a) and areas of functional floodplain (flood zone 3b). This information will help to further inform development capacity issues in the district. Using the SFRA, a Sequential Test and, where necessary, Exception Test will then have to be undertaken in accordance with Planning Policy Statement 25: ‘Development and Flood Risk’ should any site at risk from flooding be considered for development.

The Sequential Test is a risk-based approach that aims to steer development to areas with the lowest probability of flooding. The Exception Test can only be passed where a development in an area at risk of flooding satisfies all of the following criteria:

- (i) It is demonstrated that the development provides wider sustainability benefits to the community that outweigh flood risk;
- (ii) The development should be on developable previously-developed land or, if it is not on previously-developed land, that there are no reasonable alternative sites on developable previously-developed land;
- (iii) The Flood Risk Assessment (FRA) demonstrates that the development will be safe, without increasing flood risk elsewhere.

Open Space

An Open Space, Sport and Recreation Study was undertaken in 2005 (and updated in 2009). This revealed that Adur has no serious shortfalls with regard to open space but also that it has no surpluses. This must be taken into account when assessing capacity as developing any open spaces would be likely to have detrimental impacts on health, townscape, amenity and biodiversity.

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Other Constraints

Some designations such as those protecting Sites of Special Scientific Interest (SSSI), Sites of Nature Conservation Importance (SNCIs) and Local Nature Reserves (LNRs) are statutory and the local authority is required to consult relevant bodies on any application for development which may affect it. Adur has 2 SSSIs, 11 SNCIs and 4 Local Nature Reserves.

Allotments also have statutory protection – consent is required from the Government before any allotment is declared surplus to requirements.

Other policy designations, whilst made to protect areas of land for certain uses e.g. public car parks, strategic gaps, are not statutory and can be revised through the Core Strategy process.

Taking all these factors into account has enabled the theoretical capacity of the District to be assessed. This gives an indication of both the level of development that could be accommodated and how this would impact on the District in order to deliver the housing proposed in each scenario.

8 Housing Delivery

Between 2001 and 2006 the West Sussex Structure Plan set a target of 99 dwellings (net) to be built per year. This document was replaced by the South East Plan which set a target of 105 net dwellings per year from 2006 onwards. The table below gives an indication of the number of houses built in Adur each year since 2001. It shows that over the past 9 years, an average of 117 new homes have been built each year, slightly exceeding the requirement. This nine year time period takes account of peaks and troughs in the housing market. Housebuilding in the District was at its peak between 2005 and 2009, mainly due to the fact that a few large sites were developed at this time e.g. Ropetackle and Sussex Wharf. Most new development tends to be on smaller sites of 15 or less units.

Adur Past Delivery Trends	Net Units	
2001/02	47	99 dwellings per year required by Structure Plan
2002/03	82	
2003/04	59	
2004/05	120	
2005/06	200	
2006/07	216	105 dwellings per year required by South East Plan
2007/08	146	
2008/09	123	
2009/10	61	
Total	1054	117 per year

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9 Locally Generated Housing Needs Study 2011

As part of the evidence base in developing a housing requirement for Adur the Council commissioned a study from consultants GL Hearn. This 'Locally Generated Housing Needs Study' considers housing needs and demand in Adur, which are affected by growth in population and the size and structure of households. The study uses a range of scenarios to look at various 'drivers' of the housing market and what impact they might have on housing requirements. It looks at both demographic (population based) factors, and economic ones. It also looks at some supply issues, such as the potential regeneration development at Shoreham Harbour and, briefly, the availability of land within the District. (Both these issues are also addressed elsewhere in this document). The Study is available on the Council's website; key issues and conclusions are set out here:

Population Trends:

Adur's population has been growing since 1994 (6.2%, or 0.4% per annum); at a lower rate than county, regional or national rates). Deaths exceed births; this growth has been driven by net in-migration (primarily from the Brighton and Hove and London areas, rather than internationally). Over the past 5 years the rate of net in-migration has been running at an average of 380 people per annum.

Demographic Projections – and What This Means in terms of Households

Trend based projection: If past growth rates are projected forward, this would result in growth of 13.1% over period 2011-31. This equates to 270 households per annum to meet needs generated by the existing population. This is relatively consistent with the Government's projection of 280 households per annum.

Zero Net Migration scenario: This scenario models what would happen if no-one moved into Adur during the forecast period. The area would still require 70 new homes per annum, but would result in 2.2% fewer residents (2011-31) and 1,000 fewer residents of working age.

(125 homes per annum are needed to maintain a stable population to support local services. 205 homes a year are required to maintain the current working age population (who live in Adur) to support the economy).

Zero employment Growth scenario: This was modelled to assess the population change required to maintain current employment levels - in other words, zero employment growth. It estimated that to maintain the workforce at 2006 levels would require an increase in the population of around 6% to 2026 – an increase of about 3,700 people over the forecast period. 167 households per annum are required to maintain the current size of the labour force.

A zero population growth scenario was modelled to assess the impact on the District's working population if there is no increase in population generally. This would result in a significant decrease in the number of people working, due mainly to the ageing population. It would also have serious implications for commuting patterns and economic performance.

The study states that due to the ageing population, population growth of 183 per annum is needed just to maintain the number of people in work to 2006 levels, without which the

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workforce would shrink at a rate of 103 people per annum.

Housing and the Economy

The study looked at a range of factors, including employment rates, characteristics of the working population, and travel to work patterns. Three economic scenarios were undertaken:

- A baseline economic scenario for growth in employment over the period (using forecasts from Cambridge Econometrics);
- A scenario for enhanced employment growth in Adur to achieve a 3% growth in GVA per annum;
- A further scenario which takes account of policy and supply factors (an economic intervention based scenario), including an assessment of potential economic growth at Shoreham Harbour and Airport.

The economic projections have been based on an employment rate which varies over the plan period, in order to take account of the economic downturn. They also take account of proposed changes to pensionable ages.

The baseline employment projection shows a growth in population of 11.4%; this increases to 15.8% for the enhanced employment growth scenario, and the economic intervention based scenario 12.8%. All three economic based projections show a relatively low population growth for the early part of the projection period (up to 2021) before increasing at a greater rate from then on).

Household Size

The study also considers household size. In all projected scenarios the estimated average household size is expected to fall over the next 20-30 years. Depending on which projection is used the average household size in 2026 is estimated to be between 2.13 – 2.17, less than the average of 2.28 in 2006.

Housing Supply

A brief overview of supply-side issues is provided in the study, taking into account Strategic Housing Land Availability Assessment (SHLAA) sites, (see section 7), and the Shoreham Harbour Development Capacity and Viability Study (see section 11), and develops a housing trajectory scenario. The scenario concludes it is necessary to consider sites outside of the built up area boundary to address the levels of demand indicated in the projections above.

The table below sets out a summary of the projections in the study, and the requirement for dwellings in Adur that each would generate. Please note that this table relates to the period 2011-31, rather than the Core Strategy period of 2011-28.

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Summary of Projections 2011-31	
Scenario	Dwellings per annum 2011-31
Demographic Driven Projection:	
Trend based Projection (Proj 1)	269
Official National Projection:	
CLG 2008-based household projections	282
Economic Led Projections	
Trend-based Economic Growth (Proj 9)	303
Enhanced Employment Growth in Adur (Proj 10)	319
Enhanced Supply Side Intervention (Proj 11)	321
Component Analysis	
Zero Net migration (Proj 2)	72
Zero employment Growth (Proj 7)	205
Zero Population Growth (Proj 8)	124

The report reaches the following conclusions:

“A realistic assessment of housing need/demand is for between 235 – 255 dwellings per annum over the period 2006 – 28, or for between 270-320 households for the period 2011-31” and that “...it is likely to be very difficult for Adur to deliver sufficient new housing to fully meet the need/ demand identified.” (paras 9.5 and 9.6, LGHS, GL Hearn 2011)

It should be noted that these figures are based on demographic projections, needs and demands, and do not take account of capacity issues. These recommended housing levels are far higher than those required by the South East Plan, which took capacity issues into account.

The report considers options for development in Adur (excluding Shoreham Harbour):

A) Development only within the existing built up area boundary. The development potential of sites with planning consent plus sites identified in the SHLAA, all within the built up area is 767 dwellings. Including a windfall allowance (for the five year period 2023 – 2028), at 76 dwellings per annum increases this to 1147 dwellings, an average of 65 dwellings per annum 2011-2028. This recommendation is reflected in Option 1 (see section 15).

B) Development within the built up area, plus *some* greenfield sites. Although the SHLAA identifies a maximum potential of all greenfield sites for development in the plan period of 1475 dwellings, it is assumed that not all are brought forward in the plan period and 750 dwellings are developed on greenfield sites outside of the built up area boundary up to 2028. Added to sites with consent, other sites identified in the SHLAA and the windfall allowance of 76 per annum between 2023–28, this would result in the potential delivery of 1897 homes, an average of 110 dwellings per annum.

This figure is relatively similar to the 105 dwellings per annum requirement in the South East Plan. As a result, it was decided at the Adur Members Seminar on 14th April 2011 that the South East Plan figure of 105 dwelling per annum would be used as an option for consultation (Option 2 below).

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C) Maximising Development Potential: This is similar to the above, but assumes development of all greenfield sites identified within the SHLAA, and is the LGHN study option **which comes closest to meeting the identified needs/ demands (although still does not completely meet them)**. It assumes the maximum potential 1475 dwellings on greenfield sites, added to those with planning consent, other sites identified within the SHLAA, and the windfall allowance would supply 2622 dwellings, at an average of 155 dwellings per annum. This is set out as Option 3.

10 Approach Previously taken by the South East Plan

The Draft South East Plan was published in 2006. The Strategy for the Sussex Coast aimed to improve the balance of jobs and homes in the sub-region and included a target of for Adur of 2,600 dwellings over the period 2006 – 26 (130 per annum). This corresponded to the Revised Final Strategy for the Sussex Coast Sub-Region (Dec 2005) which the local authorities in the sub-region were involved in preparing. It was based on the residual Structure Plan requirement, the projected capacity of brownfield sites, and an allowance of 500 dwellings at Shoreham Harbour; rounded up to an annual target of 130 per annum. (Although if the Shoreham Harbour element were to be removed, this would equate to 105 dwellings per annum). This is known as the South East Plan Option 1 figure (not to be confused with this consultation's Option 1). It should be noted that this figure was influenced more by land availability and capacity than by local evidence of housing needs.

The Sussex Coast Sub-Regional Strategy (2005) referred to balancing the need to contribute towards the regional housing requirements, against the limitations of the poorly performing local economy, where relatively more employment development than housing is required to promote a better balance between supply of, and demand for labour. It also stated that the overall sub-regional housing target reflected the extensive environmental constraints that severely restrict its scope for physical development.

These issues were addressed by the Examination in Public (EIP) into the South East Plan, and published in the Panel Report (August 2007). This report recognised the physical and environmental characteristics of the sub-area, as well as key infrastructure constraints, and supported the emphasis on economic regeneration. However, the Panel Report proposed a moderate increase in the sub-regional housing requirement. In Adur's case the Panel proposed an increase to reflect housing capacity specifically at Shoreham Harbour (rather than elsewhere in the District - an additional 1,000 dwellings in addition to the 500 already proposed).

Following the EIP, the Shoreham Harbour Regeneration Partnership submitted a bid to the Government for New Growth Point status, informed by the South East England Development Agency's (SEEDA) assessment that a larger scheme (comprising 10,000 new homes and 8,000 new jobs) could be delivered in the Harbour area. Shoreham Harbour was subsequently designated as a Strategic Development Area in the Proposed Modifications to the South East Plan (2008) and the bid achieved Growth Point status.

The South East Plan adopted in May 2009 designated Shoreham Harbour (an undefined area but including parts of both Adur District and Brighton & Hove City) as a Strategic Development Area, with a 'ringfenced' housing requirement of 10,000 dwellings (subject to testing). The target for the remainder of Adur was 2,100 dwellings (105 per annum, the same as the South East

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Plan Option 1 figure, minus the allowance for Shoreham Harbour). This broadly corresponds to the capacity identified in 2005, excluding Shoreham Harbour.

This overview of the South East Plan process indicates that housing targets for Adur have been primarily capacity- based, due to the limited physical capacity of the district to accommodate development, rather than being driven by need/ demand. This approach has been supported by Planning Inspectors at the Examination in to the South East Plan (as well as West Sussex Structure Plan). Any increase in housing potential identified through the South East Plan process have focussed on the Shoreham Harbour area. The target for the 'remainder' of Adur District has remained relatively consistent at 105 dwellings per annum. However, as explained elsewhere in this document, the recent Capacity and Viability Assessment has concluded that the large-scale proposals for Shoreham Harbour as indicated in the South East Plan are not deliverable.

11 Role of Shoreham Harbour

The Shoreham Harbour Regeneration Partnership (comprising Adur District Council, Brighton & Hove City Council, West Sussex County Council and Shoreham Port Authority) are in the process of preparing a detailed Area Action Plan (AAP) for the Harbour. This Action Plan, which will be the statutory development plan document for the Harbour, will follow the adoption of Adur's Core Strategy (in accordance with government guidance).

The partnership has been examining different options of scale and type of redevelopment at the Harbour in order to promote a viable scheme that maximises regeneration opportunities, is locally supported, respects the character of the local area, enhances the waterfront and minimises environmental impact.

A recently completed Capacity and Viability Study has identified that if significant redevelopment was to take place, it may be possible to deliver between 1600-2000 new homes and approximately 2600 new jobs across the Harbour area. Of these, approximately 1190 could be built within Adur District Council area with 1050 of these within the plan period of the Core Strategy (up to 2028) and the remainder in Brighton & Hove City Council area.

The plans support the aspirations of Shoreham Port Authority which intends to rationalise the area operated by the port, freeing up land for new development and concentrating port-related uses together, making the running of the Port more efficient. The new housing would form part of a series of mixed-use developments increasing the amount of employment space, retail and leisure opportunities and enhancing the public realm to regenerate the area.

Background and context

Shoreham Harbour was originally identified in the South East Plan as a Strategic Development Area and earmarked for large scale change to deliver up to 10,000 new homes. Since this time technical investigations have concluded that the delivery of such a large amount of housing in this location would not be financially viable, may have detrimental environmental impacts and may not be locally supported. The previous proposals explored the potential to reclaim land out to sea which has been found to be too costly in the current financial climate.

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Ringfenced housing supply

The Shoreham Harbour housing target was originally ring-fenced within the South East Plan due to its special status as a designated Growth Point and regeneration area. It has always been recognised that new housing areas at the Harbour would serve the dual function of meeting identified housing needs as well as being the critical enabling element to finance and support other regeneration outcomes such as enhanced public realm, infrastructure upgrades and new employment opportunities.

The recent capacity work has highlighted the various challenges in the current economic climate and next steps of work needed to bring forward sustainable new housing and employment developments in the harbour area related to land assembly and availability of funding for infrastructure improvements.

Due to context of the Harbour regeneration project, which is unique within the District, it is proposed that the Shoreham Harbour housing supply continue to be ring fenced separately from the wider housing target for Adur District. The housing target for the Harbour area will be dealt with as part of the Area Action Plan (AAP) process which will involve engagement with local residents and businesses.

In summary the reasons for proposing that the Shoreham Harbour housing target remains ring-fenced are as follows:

- Shoreham Harbour is a unique regeneration development opportunity which cannot be replicated elsewhere in the district. This is due to its scale, complexity, the fact it is part of a wider cross-boundary regeneration project and the mix of private and public land ownerships involved including Shoreham Port Authority.
- Regeneration of the Harbour is dependant on new mixed-use developments coming forward to support infrastructure upgrades and enhancements to quality of life for existing residents and addressing the needs of deprived communities in surrounding areas. The Harbour housing target therefore needs to be contained within a defined area (which will be set out in the AAP) rather than being applied district-wide.
- There is still further technical work to be done to establish the exact levels of development that could come forward and when this would come forward including exploring options for an upgraded flood defence network.

Ring fencing the housing supply will ensure that if development is delayed at Shoreham Harbour for any reason, this does not put pressure on other parts of the district to be developed instead as replacement housing.

Further work planned

The Council is continuing to work jointly with its partners supported by the Homes and Communities Agency and the Environment Agency to develop an Investment Strategy for the area. Following this we are intending to prepare and adopt a detailed Area Action Plan (by 2013) which will be publicly consulted on and will identify the areas for change at the Harbour. This plan will identify the housing target and trajectory for the Harbour area and will be in line with the principles established within the Adur Core Strategy, in accordance with government guidance. For further information visit **www.shorehamharbour.com**.

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12 Economic Issues/ Options

Planning Policy Statement 4: Planning for Sustainable Economic Growth

PPS4 confirms the Government's commitment to sustainable economic growth. Policy EC1 of the document sets out that evidence should be used to plan positively. At the local level this should include assessment of need for land or floorspace for economic development, including for all main town centre uses over the plan period; and of the existing and future supply of land for economic development.

Policy EC2 sets out national policies relating to preparation of development plans. It outlines that these should set out a clear economic vision and strategy for the area which positively and proactively encourages sustainable economic growth. They should take account of expansion or contraction of existing business sectors, and identify and plan where possible for emerging new sectors likely to locate in the area.

Adur Employment Land Review Update 2011

This study was produced as part of the evidence base to inform the Core Strategy regarding the levels of employment that should be provided in the district up to the end of the plan period.

This study carried out the following tasks:

- An up-to-date analysis of the district's economic performance, considering its relative strengths and weaknesses and a profile of its employment and business base and labour market performance;
- An assessment of commercial property market dynamics, considering the level of employment floorspace by type and how this has changed, development trends, and demand indicators such as rents and vacancy levels;
- A detailed assessment of the main employment locations within the district as well as identifying potential for further development on these sites;
- Demand forecasting, taking account of the economic growth forecasts and past levels of take-up of employment space within the district, together with an assessment of potential key growth sectors;
- Assessment of the potential for future employment growth and regeneration at a number of key locations within the district;
- Comparing projected demand for employment land and floorspace with the existing potential supply to advise on the portfolio of future employment land and premises needed to support the local economy.

The study outlined two scenarios for employment growth. These are as follows:

(A) Baseline Scenario:

This is a 'business as usual' scenario which assumes that there will be no significant intervention or change in the economy of Adur over the plan period (2011-2028) i.e. no new employment sites will be allocated in the district. The employment forecasts for this scenario are based on the existing, relatively constrained, economy of Adur. With regard to the provision of new employment floorspace, despite a predicted growth in the number of jobs (1780) over the plan period, when current vacant employment stock and unimplemented planning consents are

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taken into account, the demand forecasting shows that even up until 2028, there will still be a surplus of 6855sqm of employment floorspace in the district. This means that no significant amount of employment floorspace would need to be provided in the district over the plan period.

(B) Economic Intervention Scenario:

This scenario is based on an assumption that significant steps are taken to improve and change the nature of the economy in Adur to provide more high skilled and high quality employment. Such a scenario would require the allocation of new employment sites and would be likely to result in a considerable growth in Adur's economy up to 2028, creating around 2980 jobs. The Employment Land Review Update indicates that such a scenario would be likely to require the provision of approximately 35,108sqm of new employment floorspace, equating to approximately 6.5 hectares of land. However, the feasibility of providing this amount of floorspace/land in the district would need to be assessed in more detail through the next stage of the Core Strategy.

These two scenarios have informed the consultation questionnaire. Please view the questionnaire for the pros and cons of each of these scenarios.

The Adur Employment Land Review Update can be found on the Council's website.

13 Infrastructure

The issue of infrastructure is a key concern in relation to proposals for new development. New housing and employment areas are likely to add to the number of people using existing services and facilities, and sometimes generates the need for new provision to be made. Larger developments can often fund the provision of certain types of infrastructure, but smaller developments may not be able to, cumulatively increasing the pressure.

The Draft Adur Core Strategy will contain a policy/ policies on developer contributions. The Government has introduced the Community Infrastructure Levy, a tariff-based approach to collecting contributions towards infrastructure from most types of development. If the Council adopts this approach, the Core Strategy will reflect this, and a 'charging schedule' will be developed. Planning obligations (s106 agreements) will also continue to be used to facilitate the provision of infrastructure related to a specific development.

Adur District Council is also in the process of developing an Infrastructure Delivery Plan to accompany the emerging Core Strategy. This will assess existing infrastructure provision (and that required in relation to new development) identify shortfalls, and set out commitments from various infrastructure providers to deliver new infrastructure. The Infrastructure Delivery Plan will be developed and refined as the Adur Core Strategy itself develops.

Discussions with infrastructure providers (including utilities companies, primary care trusts, and West Sussex County Council) are ongoing. So far these discussions have been based on the South East Plan figure of 2,100 dwellings (plus provision at Shoreham Harbour) but the infrastructure implications and requirements resulting from any agreed change in the District housing target will be addressed with these organisations.

14 Impact of Adjoining Authorities

Adur District Council will continue to work with other local authorities in considering how housing needs and demands will be met across the sub-region.

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15 Options for Consultation

The table below sets out the four options for housing development that are currently being consulted on

Option	Number of dwellings per annum (excluding Shoreham Harbour)	Potential district target (number of dwellings) 2011-28 (excluding Shoreham Harbour)
1	65	1105
2	105	1785
3	155	2635
4	270	4590

Please note that these options exclude development proposed at that part of Shoreham Harbour lying within Adur District (please see below).

The following options were selected for consultation by Adur District Council Members on 14th April 2011.

Option 1: 65 dwellings per annum (1105 dwellings 2011 – 2028)

Description: This is the lowest proposed level of development. It is a 'capacity based' option, which would require only brownfield land (already identified in the SHLAA) within existing settlements to achieve this level of development. This option was proposed by the Locally Generated Housing Study and is similar to the 'zero net migration' scenario – the amount of housing needed if there was no in-migration to the district.

Pros: This option would only need brownfield land within the current built up area boundary, and would avoid the need to develop on greenfield land. This would have less of an impact on existing infrastructure than the other options, and the impact on the transport network would be less than the other options.

Cons: New homes will still be needed in the District, due to changes in the age structure and household sizes, as young people leaving home will need places to live. Developing this low level of housing would result in a declining population (2.2% - 1400 people over 20 years). (Delivery of 100 dwellings per annum is required to maintain the existing population base). The population profile would age more rapidly. The working population would decline by 3,500 between 2011-31 – having a negative impact on the economy. Services may become unviable. There will be few opportunities for affordable housing. There will be little funding collected towards new or improved infrastructure. This amount of housing will not meet projected

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demographic needs. It is not possible to stop people moving into the district. Given that few houses would be built, prices would be likely to increase, and local people forced to compete with people from outside the district wanting to move in.

Option 2: 105 dwellings per annum (1785 dwellings 2011 – 2028)

Description: The target of 105 dwellings per annum (for Adur District, excluding Shoreham Harbour) was included in the South East Plan, having been tested through an evidence based process. This is again a capacity –based figure; the South East Plan accepted that Adur could not meet all its projected demographic needs. The Government have stated that local authorities can still use targets from the Regional Spatial Strategies if they are satisfied that the evidence is appropriate and supplemented by more recent information as appropriate. (Please note that the total figure for the district given above (1785) differs from that in the South East Plan (2,100) as different timescales are being used – but both equate to 105 dwellings per annum). This level is similar to an option of 110 per annum proposed by the Locally Generated Housing Needs Study.

Pros: This level of housing development would sustain the existing population base. It would bring about more opportunities for affordable housing and mixed communities than Option 1 above. It would generate more money towards new or improved infrastructure than Option 1. This level accommodates some in-migration. The same amount of brownfield land as Option 1 would be used, although some greenfield land would be required.

Cons: Although this option would accommodate some in-migration, it would result in very little growth in the population. (Delivery of 100 dwellings per annum is required to maintain the existing population base). Due to changes in the age structure of the population, this level would still result in a decline in the working age population. There would be more impact on existing infrastructure and the transport network than Option 1.

Some greenfield land would be required. However, although this will have some impact on existing gaps between settlements, this development could be accommodated in those areas which have been assessed as having low-medium impact on the landscape.

This level of development would still not meet all Adur's demographic needs.

Option 3: 155 dwellings per annum (2635 dwellings 2011 – 2028)

Description: This is based on an option proposed by the Locally Generated Housing Study. In terms of capacity, it seeks to maximise development potential within the District by utilising all Greenfield sites identified within the SHLAA.

Pros: This option would support stronger growth in the population, and accommodates some in-migration. It would create more opportunities for affordable housing and mixed communities than Options 1 and 2. This option would generate more money towards new or improved infrastructure than Options 1 and 2.

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Cons: This level of housing development still falls below the LGHN Study (and Government) projections of housing demand. It would still result in a reduced working age population up to 2028 and a higher proportion of the population aged over 65 years.

This option requires a greater amount of greenfield development than Option 2 (in addition to brownfield land) and would therefore have more of an impact on the landscape. This option would also result in a greater amount of development on land at risk of flooding. This level of development would still not meet all Adur's demographic needs.

Option 4: 270 dwellings per annum (4590 dwellings 2011 – 2028)

Description: This option has been developed on the basis that it meets trend-based demographic needs (as set out in the Locally Generated Housing Needs Study).

Pros: This option meets all projected demographic needs. There would be more opportunities for affordable housing and mixed communities than Options 1, 2 and 3. This option would allow for some increase in the working age population (however, there would only be a relatively small increase in the number of people aged 30-59, so despite a large amount of housing, the growth in working age population would not be significant). This option would generate more money towards new or improved infrastructure than Options 1, 2 or 3.

Cons: To accommodate this level of growth all greenfield SHLAA sites would need to be utilised (as with Option 3) either at higher densities on all identified sites, or by trying to identify even more greenfield land, which would result in using areas assessed as having high landscape value – therefore having a significant detrimental impact on the landscape, and contributing to the coalescence of settlements. This option would have an extremely adverse impact on the traffic network and existing infrastructure.

Relationship between Housing Options and Development at Shoreham Harbour

The four consultation options are set out again below, indicating the amount of housing in total which could potentially come forward in each case, given the addition of housing development at Shoreham Harbour (that part within Adur District). As explained above, it is proposed that the housing development at Shoreham Harbour would be 'ringfenced' meaning that if it was delayed or some was unable to come forward as predicted, the resulting shortfall would not have to be made up elsewhere in Adur District.

In the case of Options 1, 2, and 3, which cannot meet all Adur's predicted demographic needs for housing, the projected residential development at Shoreham Harbour would go some way to meet the shortfall.

To give your views on the most appropriate option, please fill out the questionnaire – see below.

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Option	Number of dwellings per annum (excluding Shoreham Harbour)	Potential district target (number of dwellings) 2011-28 (excluding Shoreham Harbour)	Total dwellings 2011-2028 (including 1050 dwellings at Shoreham Harbour (ringfenced))
1	65	1105	2155
2	105	1785	2835
3	155	2635	3685
4	270	4590	5640

16 Further Information

For further information and studies relating to these issues, please see the following documents available on Adur's website:

Strategic Housing Land Availability Assessment	add reference and weblink
SHMA	add reference and weblink
LGHN	add reference and weblink
Urban Fringe Study	add reference and weblink
Employment Land Review.....	add reference and weblink

17 Sustainability Appraisal of Housing and Employment Options

PPS 3 requires the preparation of a Sustainability Appraisal to assess the environmental, social and economic implications of the various housing and employment scenarios, in order to provide an objective appraisal of their impacts, and help inform decisions as to the most appropriate option.

The Sustainability Appraisal of the Housing and Employment Options for Consultation is available on the Council's website at www.adur.gov.uk/ xxxx. Sustainability Appraisal is an iterative process, and will continue as the Core Strategy is developed.

18 Next Steps

To give your views as to the most appropriate housing and employment options for Adur District, please fill in the questionnaire (preferably online at www.adur.gov.uk/...) by the end of 7th August 2011. Alternatively if you require a hard copy of the questionnaire, or have any queries, please contact the Planning Policy Team at planning.policy@adur-worthing.gov.uk or by telephone on 01273 – 263183 or 01273 - 263065

The results of the consultation exercise will be reported to a meeting of Adur District's Full Council in October 2011.

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A draft Adur Core Strategy, which will include the housing and employment levels selected by the Council, as well as address a range of other planning issues, will be made available for consultation in early 2012. A full timetable for the production of the Adur Core Strategy may be found on the LDF page of the Adur District Council website.

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Appendix 1

The Draft Core Strategy will contain a 'Vision' of what Adur might be like in 2028, through the implementation of the Core Strategy. Key points include:

- Significant regeneration for Adur will have been secured, particularly focussed on areas in the District suffering deprivation. Residents will enjoy an improved quality of life through better access to higher quality jobs, new skills training and educational opportunities, better choice in housing with sufficient affordable homes and new and improved infrastructure. Inequalities between different parts of the District will be reduced.
- Adur's main communities - Lancing, Sompting, Shoreham-by-Sea, Southwick and Fishersgate - will be sustainable communities with improved quality of life and reduced impact on the environment. Sufficient homes, employment, local services and community facilities will have been delivered.
- Through working with partners, and the local community, good progress will have been made in delivering regeneration opportunities at Shoreham Harbour accepting that some development will be longer term beyond 2028.
- The rural areas of the District will be maintained and enhanced by the relevant partners, including the South Downs National Park Authority. Sompting Village will have retained its rural village character.
- Town centres (Shoreham, Southwick, Lancing) and regeneration areas (including Shoreham Harbour and Shoreham Airport) will have provided the main opportunities for new development which will have been delivered through partnership working.
- Adur's landscape, cultural heritage and biodiversity will continue to be protected and enhanced, and important views will be protected. Residents will have improved access to green spaces, and green links will have been created or improved from the built up areas to green spaces, the countryside and the coast.